

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6322

BILL NUMBER: HB 1298

DATE PREPARED: Nov 30, 2000

BILL AMENDED:

SUBJECT: Handgun Licenses and Ammunition.

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FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill limits the size of a license to carry a handgun to not more than 2 1/4 inches by 3 1/2 inches. It specifies certain information that must be obtained before a person may deliver ammunition for a handgun to another person. It requires the transferor of the handgun ammunition to forward certain information about the transfer to the Superintendent of the State Police Department. It also makes conforming changes.

Effective Date: Upon passage; July 1, 2001.

Explanation of State Expenditures: *Handgun License Size-* The State Police would likely incur minimal administrative time and cost in reducing the size of its handgun licenses from the current permit size of 2 1/4" by 3 3/4". Approximately 70,000 to 80,000 handgun licenses are issued each year.

Ammunition Sales- In addition, the State Police would incur minimal administrative time and cost in developing a uniform reporting form for ammunition sales reporting. Depending on the number of documents describing ammunition purchases that are received, the State Police could require storage capacity to process and retain the documents. These expenses are currently indeterminable, but could likely be absorbed within the current State Police budget.

Currently, there are no records maintained regarding the sale of ammunition on a statewide level.

Explanation of State Revenues: *Class A Misdemeanor-* This bill provides for a Class A misdemeanor for violation of the ammunition transfer provisions. If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class A misdemeanor is \$5,000. Criminal fines are deposited in the Common School Fund. If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town

court, 55% of the fee would be deposited in the state General Fund.

Explanation of Local Expenditures: *Class A Misdemeanor*- A Class A misdemeanor is punishable by up to one year in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

Explanation of Local Revenues: *Class A Misdemeanor*- If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Courts, Law Enforcement Agencies, State Police.

Local Agencies Affected: Trial Courts, Law Enforcement Agencies.

Information Sources: Steve Hillman, State Police (317) 232-8204.